

Transcript Prepared by Clerk of the Legislature Transcribers Office
General Affairs Committee February 20, 2024
Rough Draft

LOWE: Welcome to the General Affairs Committee. My name is John Lowe. I represent District 37. I'm the Chair of this committee and will be conducting today's hearing. Today we'll be hearing from 11 appointments. If you wish to testify in person on any of the matters before us, we ask that you fill out one of the green sheets of paper. They are located on the tables of either side of the room when you first come in the door. If you're here and you do not wish to testify but wish to state your support or opposition for any of the matters before us, we ask that you fill out the sign-in sheet. If you do testify, please hand your sheet to the committee clerk. As you come up, please begin your testimony by stating and spelling your full name for the record, which is very important for our transcribers. It's not for us to hear or listen, but it's for the transcribers. The, we'll-- the "appointer" will be given the opportunity to open. The "appointer"?

_____ : The appointee.

LOWE: The appointee It says the bill. The appointee will be given an opportunity to open. Then we will hear from the proponents, opponents, and neutral testimony, if there are any, for each person. We will ask you to listen very carefully to try not to be repetitive. I don't think we'll have that problem today. We do use the light system in General Affairs Committee. Each testifier will be afforded 3 minutes to testify. The green light then signifies your start. When the light changes to yellow, you have one minute remaining for you to conclude your remarks. When the red light comes on, your time is expired and we will open up to the committee to any questions that they may have for you. At this time, I'd like to encourage everyone to turn off or silence their cell phones or electronic devices, anything that makes noise. We are equipped for electronics, so you may see members referencing their iPads, iPhones or other electronic devices. I can assure you that they're just researching the matters before us. You-- if you have a prepared statement, an exhibit, or anything you wish to have distributed to the committee, we ask that you provide 10 copies for our-- to our committee clerk. If you do not have 10 copies, don't worry. Provide what you have to the committee clerk, and we will make copies and distribute them to the committee. With that, we'll proceed to the introduction of members, starting at my right with John Cavanaugh.

J. CAVANAUGH: John Cavanaugh, Legislative District 9, midtown Omaha. You threw me off by saying my name.

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LOWE: Sorry.

BREWER: Tom Brewer, District 43, 11 counties of western and central Nebraska.

HUGHES: Jana Hughes, District 24: Seward, York, Polk, and a little bit of Butler County.

HARDIN: Brian Hardin, District 48: Banner, Kimball, Scotts Bluff Counties.

HOLDCROFT: Rick Holdcroft, District 36, west and south Sarpy County.

LOWE: All right. And to my right we have Laurie Holman, who is my RA and committee clerk is Andrew Shelburn. And we have Collin Bonnie today, who is a criminal justice major. And we have a guest.

KRISTEN PEREZ: I'm Kristen.

LOWE: What is your name?

KRISTEN PEREZ: I major in political science at UNL.

LOWE: All right. Thank you, Kristen. And with that, we will go to our first appointment with Zachary Cheek with the Nebraska Arts Council. How are you?

ZACHARY CHEEK: Not too bad, as for yourself?

LOWE: Good.

ZACHARY CHEEK: Good.

LOWE: You may start.

ZACHARY CHEEK: OK, perfect. Thank you for making the time to see me today, Senators, Mr. Chairman. My name is Zachary Cheek, Z-a-c-h-a-r-y, last name Cheek like the side of your face, C-h-e-e-k. I am here today as a member of and reappointee by Governor Pillen to the Nebraska Arts Council. I am the youngest member of the Nebraska Arts Council in state history, in spite of James Wright, if he were here, having shaved his goatee, which would give a false presumption. But I've been on the Arts Council since October 2020. I was appointed by Governor Ricketts. This would be my second term of a second 3-year term. I enjoy what I do on the Arts Council. A little bit about me is that I was born and raised in Omaha. I went to Elkhorn High School. I

went to college in Lincoln, where I got degrees in economics and music. I was in the student government on behalf of the Fine Arts College. I won a write-in campaign as the only student representative for fine arts, or art history design or music history, dance, you name it. And the one thing I'm proud of is that I created a program at UNL when I was in student government that helped students use their educational expenses through the American Opportunity Tax Credit to get [INAUDIBLE] tax deductions. So typically that would apply to calculators, textbooks, pencils and the like. But I also made sure it applied to instruments, paintbrushes, things like that. I graduated from UNL in 2022, and I continued my service on the Arts Council even while pursuing a full-time master's degree at the London School of Economics. So I would travel from London to Omaha and continue my service on the Arts Council. And I finished my master's degree in England about 6 months ago. In the British academic system master's degrees are typically one year. And now my full-time job is I work on Senator Deb Fischer's staff in D.C. And one thing I should mention, Senators, is that while I am not here in any way as a representative of Senator Fischer's office, while I'm here purely as an individual, I made sure that my service on the Arts Council, I consulted with the Senate Ethics Committee concerning my service on the Arts Council. And it was determined that because my service is voluntary, uncompensated, and not in conflict with my duties as congressional employee, my service is fully compliant with the rules and code of conduct of the U.S. Senate. And I also left with Mr. Shelburn about 6 copies of the Senate Code of Conduct, shortened to the appropriate sections in case it's helpful as you guys consider my capacity to serve on the Arts Council for another 3 years. And I enjoy what I do. I have taken the opportunity to serve on additional panels and judging opportunities and the like that members of the council could serve on. I love the arts, I love Nebraska, and I believe in public service and the inherent good that the Arts Council does. And, yeah, in spite of how much it might help me to say otherwise in the moment, it's largely not because of anything that I do that makes the Arts Council so phenomenal. It's because of our executive director, Mike Markey, his phenomenal staff in downtown Omaha. And, in addition, things like, the relationships that they cultivate across the state with artists and stakeholders and, of course, elected officials. The history that they've been able to build as an organization ever since the Exon administration and, of course, the motivation that drives them every day. So I'm very grateful to play a small part in that. And I believe that the Arts Council does quantifiably beneficial work, whether it's the Museum of Nebraska Art in Kearney or Jazz on the Green in Midtown

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or the Red Path Gallery in Seward or the West Nebraska Arts Center on East 18th Street in Scottsbluff. The Arts Council does measurably beneficial work, and I'd love the chance, if you allow it, to serve another 3 years. And I look forward to your questions.

LOWE: Thank you very much, Mr. Cheek. Are there any questions? Senator Holdcroft.

HOLDCROFT: Thank you, Chairman Lowe. I just-- I'm just curious. Degree in music, was it vocal, instrument?

ZACHARY CHEEK: Instrumental, trombone.

HOLDCROFT: Trombone.

ZACHARY CHEEK: So I played trombone. I practiced probably 2 hours a day, 6 days a week for about 6 years. I studied with a member of the Omaha Symphony. I was really into it. I was in the marching band; the line of people who run on to the field, I was always the first one in that line. Yeah so.

HOLDCROFT: I'm also a trombone player.

ZACHARY CHEEK: Oh.

HOLDCROFT: But only in high school.

ZACHARY CHEEK: I'll remember that, sir. I usually see Senator Clements at Cornhusker marching band alumni stuff so, yeah. That's awesome.

HOLDCROFT: Thank you.

LOWE: Senator Brewer.

BREWER: Thank you, Mr. Chairman. Well, I just wanted to tell you that I appreciated your help in your other capacity in Senator Fischer's office.

ZACHARY CHEEK: Oh, you remember. Thank you, sir.

BREWER: Every time there's an issue or a problem, you make sure that we get answers and you're going to solve it. So I'm sure if you approach this with the same passion, which obviously you have, thank you for your service.

ZACHARY CHEEK: Oh, thank you, sir.

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LOWE: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman, and thanks for being here, Mr. Cheek, and your willingness to continue to serve with all these other things.

ZACHARY CHEEK: Absolutely.

J. CAVANAUGH: I just wanted to ask about the arts, what is it, the art and entertainment districts?

ZACHARY CHEEK: The creative districts.

J. CAVANAUGH: Creative districts--

ZACHARY CHEEK: Yes, sir.

J. CAVANAUGH: --that's what they're called. What are your thoughts on that?

ZACHARY CHEEK: I think it does a great service for our state. We're coming up to 4 dozen creative districts pretty soon, 28 now or 20 counting. I just attended across the street an entire lunch where they talked about how amazing the creative districts are. I mean, they have them in [INAUDIBLE] and Valentine. They have them in Elkhorn. I don't know if they have any in Midtown.

J. CAVANAUGH: Oh, we do.

ZACHARY CHEEK: OK, perfect. All the better. They have them in Brownville and Tecumseh and all sorts of places. They, they do a really important economic benefit for our state. And I'm not just saying that as an Arts Council member, but also a graduate of the London School of Economics, that I'm very motivated in the work it does. I'm very glad that Senator Stinner and Senator Flood had put so much money into the program originally. And I'll continue in my capacity as just a guy from Omaha to write Senator von Gillern about it and tell him how amazing I think it is.

J. CAVANAUGH: Great. Thank you.

LOWE: Thank you, Senator Cavanaugh. When you presented or passed out the Senate Code of Official Conduct, I thought maybe you were trying to give us a hint here, but, I appreciate that.

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ZACHARY CHEEK: Yes, sir.

LOWE: Are there any other questions? Seeing none, thank you, Zack.

ZACHARY CHEEK: Thank you, Mr. Chairman.

LOWE: Next we have Jon Cross.

JON GROSS: Gross.

LOWE: Gross. Excuse me. Got to wear glasses.

JON GROSS: Thank you. Jon Gross, J-o-n G-r-o-s-s, and I am here for-- to hopefully be approved as an appointment by Governor Pillen to the Nebraska Arts Council. It'd be my first term. A little bit of biographical information. Originally born and raised in Lincoln. I went to the university here, got a degree in finance. At that point, I actually got a job at Union Bank as an intern. So I've been-- spent the bulk of my entire professional career at Union Bank. And I presently head up the wealth management division at the bank. In terms of previous arts exposure and, and involvement, volunteer work, I've served a couple of terms on the Lincoln Symphony Orchestra. After that, I was asked to go onto the board of the Sheldon Art Association, and I've served probably 12 years now in my third term. That included a 2-year stint as board president as well. And then kind of a corollary to that. There's a kind of a [INAUDIBLE] position with Public Art Lincoln that I'm also currently on the board of Public Art Lincoln as well. So with that, I thank you for your time and, and entertain any questions you might have.

LOWE: Mr. Gross, thank you. Are there any questions? Senator Holdcroft.

HOLDCROFT: Thank you, Chairman Lowe. Just curious, any relation to Daniel J. Gross?

JON GROSS: Not that I know of. Sorry.

LOWE: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman. Thanks for being here, Mr. Gross, and your willingness to serve. I just wanted to ask a little bit about Sheldon, where, what is that?

JON GROSS: The Sheldon Art Museum at the university.

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J. CAVANAUGH: OK.

JON GROSS: So.

J. CAVANAUGH: I was-- the name rings a bell--

JON GROSS: Yeah, yeah.

J. CAVANAUGH: --but didn't immediately. I'm not a Lincoln guy, so.

JON GROSS: Gotcha.

J. CAVANAUGH: And then you also had on here Public Art Lincoln.
What's-- what is that?

JON GROSS: That is, it's kind of a joint organization for the city of Lincoln for public art works from that perspective. And my involvement with that is when I was at Sheldon board president, there was a standing position on Public Art Lincoln for the direct-- the president of the Sheldon Board and as, as initially got on. And then when my term as president expired, they asked me to continue on on that board for a while so.

J. CAVANAUGH: OK. And I asked the previous appointee about the creative districts. Have you had any interaction with the creative districts in your?

JON GROSS: Not to the same extent other than just once. I've experienced First firsthand. And I agree with what was said earlier. I think it could be a tremendous economic benefit to the communities that embrace it, and not only just in addition to what it can do to improve the quality of life for people that are actually living there in terms of bringing in additional people as well so.

J. CAVANAUGH: Thank you.

LOWE: Thank you, Senator Cavanaugh. Well, I hope everybody else is as well versed as the first 2 are. So it seems like all star people out here.

JON GROSS: Thank you.

LOWE: No other questions? Thank you very much.

JON GROSS: All right. Thank you.

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LOWE: Next, we have John Stinson. Welcome.

JOHN STINSON: Good afternoon. Thank you. Welcome. My name is John Christopher Stinson and I actually go by Chris. It's J-o-h-n C-h-r-i-s-t-o-p-h-e-r S-t-i-n-s-o-n. And I'm honored to have been appointed to the Nebraska Racing and Gaming Commission and to appear before the committee today. I'd like to take just a little time to go over my background and answer as best I can any questions you may have. I was born and raised in Grand Island, graduated from UNL with a business degree. After graduation, I was hired by a Midwestern-based brokerage firm, and I returned to Grand Island where I spent 40 years in the stock and commodity futures business, much of the time working in the ag sector with large and small producers, helping them to do their hedging programs and things like that. My experience with horsemen and racing goes back to my childhood, when my dad would take me in the mornings to watch the horses work out at Fonner Park. And when I came back from college and entered business, I had friends and clients who were involved in horse racing. One of my very good friends and customers being Don Leifeld, who won Fonner's biggest race, the Bosselman/Gus Fonner Handicap, twice before passing away in 2016. Also, my brother Todd, who unfortunately had a strong will but a weak heart like Don, passed away in 2019. But he was very involved in horses, mostly in New York State, with internationally known owners and trainers. A highlight for my brother and myself was sitting with the Stronach family, who owns a lot of racetracks in the country, when their horse, Ghostzapper, won the 2004 Breeders Cup Classic, a \$4 million purse at the time. A little bit more on kind of what my brother and I were kind of involved with a little bit. My brother was involved in a horse farm in upstate New York, about 60 miles from the oldest racetrack in the country, Saratoga. After he died, the owner-- and they had about 40 mares on that-- on that farm. After he passed away, the owner became kind of reclusive or actually really reclusive, and no mares were ever bred. They were fed, but that was about it. About a year and a half ago, the owner decided to look into selling the land, and to do so needed to sell those horses. Well, I found out through some sources that the firm contracted for the sale had a reputation of selling to known kill buyers. Suffice it to say, those people use methods to dispose of horses in some of the most reprehensible ways imaginable. But thanks to a wonderful rescue organization called Unbridled Thoroughbred Foundation, they, along with my family, friends and other caring individuals, were able to outbid those killers and find good homes for the horses to live out the rest of their lives. And for that I'm very, very grateful.

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Thoroughbred racing in Nebraska has had a rough go since the 1990s for a number of reasons, and racing in general has declined in popularity for some of those same reasons. And some of those are self-inflicted. Horsemen and women in Nebraska feel that they've been competing with neighboring states with, in a sense, one arm tied behind their back pursewise. Nebraska racing may never be what it once was when Aksarben was thriving. But now, with casinos, hopefully the horsemen can compete going forward on a level playing field. Very briefly, I consider a commissioner's job as being a regulator. I do not propose in any way to tell racetrack managers, casino managers or construction people how to do their jobs for one simple reason: They're the experts in those fields, not me. Our job is to make sure that the rules and regulations put into place to ensure the public is treated equitably and fairly by all involved in racing and gaming, and that those rules and regulations be strictly and uniformly enforced. And finally, without patrons, racetracks and casinos are monuments to failure, and the only way to get the numbers of patrons needed to make them successful so that the public gets to realize the promised benefits from them, property tax relief being at or near the top of the list, is to make sure that those forms of entertainment are a destination that those patrons can attend with the understandable expectation of fairness and integrity. A little fun at a casino doesn't hurt either. I'm sure I speak for all of our commissioners and staff when I say that those aims are all of our goals, and I thank you all for your time. I'll answer any questions.

LOWE: Thank you, Mr. Stinson.

JOHN STINSON: Sure.

LOWE: And my son also goes by his middle name, and his first name is John so.

JOHN STINSON: Is that right?

LOWE: We didn't want to get the 2 of us confused, I guess

JOHN STINSON: I understand.

LOWE: Are there any questions? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman, and thank you for your willingness to serve. You-- how long have you been serving?

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JOHN STINSON: I was appointed by Governor Pillen, I believe, in August.

J. CAVANAUGH: So have you been to some of the meetings?

JOHN STINSON: I've been to 2 meetings in Lincoln, and we did 1 Zoom meeting. We have another meeting coming up this Friday at Fonner Park. They do them-- when the racetracks are open, they try to do the meeting at the racetrack. So we'll have our meeting on Friday at Fonner.

J. CAVANAUGH: OK.

JOHN STINSON: So I haven't been around too long, no.

J. CAVANAUGH: Right. Well, I remember how you came to come to this position.

JOHN STINSON: Right.

J. CAVANAUGH: So in that time, there's been some kind of a bit of, I guess, controversy, for lack of a better word. The first is the report that was generated. Do you have any thoughts on that report?

JOHN STINSON: The report that was generated, I know at the last meeting that we had for that there were some people that didn't like the report at all. OK. I think it was-- it was done. But I don't think that the report could by any way be construed as complete inaccurate, because like the gentleman who was ran the innovation group, I think he was put under the gun there a little bit. There just isn't enough data at this particular time in the state of Nebraska to see how these casinos are really going to affect horse racing and things like that. I thought he was in an unenviable position. Some people said we need to throw the whole thing out. My personal opinion is we just need to embellish it a little bit and make it better. I think the idea of it is smart. Before they do any type of licensing or any of that type of thing, you know, it's my experience in the Racing Commission-- once again, I've been there for 4, 4 or 5 months-- that they do do a good amount of due diligence in terms of like is having a racetrack in a certain area going to have an economic impact on an existing racetrack and those types of things, which are all things that need to be taken into consideration, I think.

J. CAVANAUGH: So I don't-- I don't want you to answer, like, specifically about any application--

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JOHN STINSON: Sure, sure.

J. CAVANAUGH: --or anything like that. I was just trying to get a sense of your general philosophy about issuing new licenses. Do you think-- would your position be there's not enough information in that report to issue new licenses, or do you think that that's a case-by-case basis?

JOHN STINSON: Well, I think that they-- that they did a decent enough job in terms of-- they did a study where they had, like, and I don't have it off the top of my head, but like 8 different scenarios in that study. OK. And I think it's common sense to think that you probably, you know, don't want-- if I were going to walk into a town and there were gas stations on 3 corners, I probably wouldn't put a gas station on the 4th corner, if you understand what I'm saying. OK.

J. CAVANAUGH: Yeah.

JOHN STINSON: Because I do think that there's a slice of the pie that just gets cut too thin. I mean, that's my own personal opinion. I don't-- I don't speak for the Racing and Gaming Commission in general. That's just my personal opinion.

J. CAVANAUGH: OK. Thank you.

JOHN STINSON: Sure.

LOWE: Any other questions? Along the same lines, do we have enough horses--

JOHN STINSON: No.

LOWE: --to expand?

JOHN STINSON: No, I don't think so at this particular time. And I think, once again, my personal opinion, I come at this from the standpoint that my brother was heavily involved in horses. I've been involved with them from the standpoint of a fan. I've had friends. I've been around it all my life. And like I said, racing in Nebraska and racing in general, I mean, you know, it's gone-- it's gone down. I just hope that Nebraska horsemen get a fair shake going forward. And Fonner Park this weekend, I wasn't out there, but I looked at the entries and they had a 6-horse field, 7-horse field, in some case, 5-horse field. I think that we don't have enough horses. And the way that we're going to be able to get more horses is to make it more

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economically feasible for the breeding population in the state of Nebraska to come back. It may not be ever what it once was. But give those breeders the incentive to have more horses, I think, and we have to do that at some point.

LOWE: How many tracks are open right now?

JOHN STINSON: Right now we've got--

LOWE: Fonner is.

JOHN STINSON: What's that?

LOWE: Fonner is.

JOHN STINSON: Fonner is, yeah. Fonner is the only one that's open in the state of Nebraska. What we were going to do this year, Fonner Park, what we were hoping to do-- you know, back in the old days, the old days, I'm an old guy. But Aksarben, Fonner started in February. Then we went to Aksarben, then we went to State Fair Park, then we went to Columbus. So you had kind of a nice little circuit for the Nebraska horsemen to follow. We were hopeful this year that Fonner would go from the first of or middle of February to Kentucky Derby Day. And then Columbus would start like May 15. Things got pushed back a little bit there so Columbus has moved back to late September, early October. In a perfect world, what I would like to see personally is that, you know, the horsemen-- because now all of a sudden, we've got 4 months where, where do you go, right, between Fonner Park and, and Columbus. Hopefully we can get the horse population up and we can get kind of a circuit going back with Nebraska racing like we-- like we used to have. And like I said, I don't-- I don't know that it'll ever be what it once was. But you know, we would hope that we get moving that direction. So to answer your question, no, we don't have enough horses right now. And Fonner and this year-- simulcast. You guys know about the simulcast. We have to race 52 days. Fonner is going 31 days; Columbus, I believe 15 or 16; Lincoln and Omaha, between them maybe 3 or 4; Atokad may have one or something. So we have to go the 52 days in order to qualify for simulcasting. All right? So we got to get--

LOWE: A little [INAUDIBLE]

JOHN STINSON: --tracks up and running besides just Fonner Park, I think.

LOWE: Yeah. Thank you.

JOHN STINSON: Sure.

LOWE: Senator Brewer.

JOHN STINSON: Yes.

BREWER: Chris, following your lines, there is a passion out there to expand. You, you hear about North Platte. You hear about Scottsbluff. But if we track with what you're saying with the horses, those are probably quite a ways down the line if it's even realistic to expand that far out. Is that-- would that be a fair assessment?

JOHN STINSON: That's reasonable. I think that's reasonable. I mean, you have to-- and I don't want to take too much time, but the way that I look at that, that this is this. Fonner Park has 20% higher purses this year than it did last year. That helps. I mean, that-- there's no question that that helps. But we're still behind places like Prairie Meadows, Canterbury Park, some places in Oklahoma, certainly Hot Springs in Arkansas. We're not direct competition with them. So, you know, it's not going to be just purses alone that are going to make horses come into Nebraska. We have to get our, our horse population up. OK? And so in order to have that like you say, this is all down the road, you know, this is all new territory for us with the casinos and this and that. You know, hopefully we can-- we can get it rolling. I just, you know, like I say, I just want to give them a fair shake, see how good we can do.

BREWER: Thank you.

JOHN STINSON: Sure.

LOWE: Thank you, Senator Brewer. Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman. And thanks again, Mr. Stinson. Of course questions breed questions. And don't worry about taking up too much time. We--

JOHN STINSON: OK.

J. CAVANAUGH: We'll, we'll go forever [INAUDIBLE] us. Well, just the, the horse population, and this is the thing I have learned since being on this committee, and you're very knowledgeable so you clearly know this, that there are thoroughbreds and then there are quarter horse tracks, right? And my understanding is we only have one quarter horse track.

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JOHN STINSON: Yes.

J. CAVANAUGH: And then in terms of this sort of creating a circuit, is there not a separate-- an interest in creating a circuit for quarter horse as well as thoroughbred because the circuit is all thoroughbred we're talking about?

JOHN STINSON: Right, right. The circuit that I'm talking about is thoroughbred. OK. There may well be a circuit at some point for quarter horses. I think in terms of, you know, that's down the road too. I know that, and like I said, I've only been there since-- but I think Bellevue is looking or is wanting to look at a quarter horse track. Of course, you know, Omaha is right there with the thoroughbred track. Bellevue is. And then-- and then Hastings Exposition and Racing, I think is wanting to move their license out west. OK. But that would be a quarter horse track out there too. As, as, as small as the population-- and I'm not an expert at this-- but as small as the population is in Nebraska-bred thoroughbreds right now, I would imagine that the population in Nebraska-bred quarter horses is less than that. So all of this, you know, when they passed this casino deal and had the racetracks attached to it, that changed-- that changed everything. We're kind of in the embryonic stages right now of what we may be able to do going forward. So we have to have plans. But we have to also be able to react, too, you know, when those plans maybe possibly change depending upon, you know, what the public wants too. These places are going to be nice. The casino in Grand Island, the casino-- I've been to Columbus. I've been-- I've seen what they're doing there. They're going to have-- they're going to have a mile track in Columbus, which I think is a big deal. I really, really do. I mean, a lot of horsemen like to [INAUDIBLE] race on mile tracks. Grand Island is 5/8 of a mile. Lincoln is 5/8 of a mile. Omaha-- Aksarben, of course, was a mile, but now it's 5/8 of a mile. So they're making-- we're making strides. Just going to take a little bit of time.

J. CAVANAUGH: OK. Thank you.

JOHN STINSON: OK.

LOWE: Thank you, Senator Kavanaugh. Any other questions? Seeing none, thank you for coming.

JOHN STINSON: OK. Thank you. Appreciate it.

LOWE: Bruce Bailey, Nebraska Liquor Control.

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BRUCE BAILEY: Good afternoon.

LOWE: You get the mileage award today.

BRUCE BAILEY: OK. Chairman Lowe and senators of the General Affairs Committee, my name is Bruce Bailey. Currently serve the commission from the First Congressional District and current chairman of the commission. I was first appointed in 19, excuse me, in 2014, to serve the remaining of Bill Austin's term, who had resigned. I was appointed to a 6-year term in 2018, and I was designated chairman in 2019. While I've been on the commission, we've had some significant changes. One was the commission's actions of having 4 beer stores at Whiteclay. Obviously, reapplied for their license and the commission was able to reject those applications. We worked with the industry to update the farm winery, craft distillers and craft brewers to aid in, in their growth. And I'm very proud of the work with commission staff, the industry, the Legislature, Governor Pilleen, formerly Governor Ricketts, to bring the business model of the commission to the 21st century from what we were dealing with in 1986 software by building and soon to be unveiling of the CAMP project, which will take applications and tax collections online. This project's estimated to go online live on May 6 of this year. The system will be more accessible to licensees, to city clerks, and more importantly, the law enforcement. One of my plans, if confirmed, is to leverage our new technology to increase the amount of education, training for-- the commission will be able to offer, not only a better server, but seller of training experiences, but also training of the best practices for management and security of the license locations. I ask for your support on the appointment and send my application to the floor and happy to answer or try to answer any questions.

LOWE: Thank you, Mr. Bailey. Are there any questions? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman. Thank you, Mr. Bailey, for your willingness to continue to serve, especially after the experiences that you articulated you've had on the commission, know how important the work is and how tough it is. And I'm sure we'll hear how great you are from Mr. Rupe. Or maybe, I don't know, we'll see. My question is, though, I was just looking at your application and you're listed as an Independent, and you put party affiliation, other. I was asked by past Governor to change from R to Independent to allow an R to be appointed. What's the story there?

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BRUCE BAILEY: Actually, I became an Independent prior to that happening, but the way the statutes read is you can't have 3 people of the same party.

J. CAVANAUGH: Yeah.

BRUCE BAILEY: I had already become an Independent prior to that, but it allowed me to let the Governor appoint a third person on to it. In this case, it was an R. So I'm Independent and there are 2 Rs at this time.

J. CAVANAUGH: OK. But why did you write that the Governor asked you to change it then?

BRUCE BAILEY: Actually, he did. I already had done it prior to that by about 6, 7 months.

J. CAVANAUGH: OK. But, I mean, you articulated the reason why we have--

BRUCE BAILEY: Yeah.

J. CAVANAUGH: --there's a statute that says you can't have people of the same party. So it's I guess I have--

BRUCE BAILEY: I had been asked but I had already done it.

J. CAVANAUGH: I appreciate your service and I'm-- on the board and of the work you've done. I'm just-- the wheels in my head, I guess, are turning about what to think about subverting the law by asking people to change their party registration and what the implication of that is. But that's good.

BRUCE BAILEY: Yeah.

J. CAVANAUGH: It just raised a flag for me on here. But I appreciate your service on there and--

BRUCE BAILEY: Thank you.

J. CAVANAUGH: --the answer.

LOWE: I think the Liquor Commission deals with, if you don't declare everything on your application, it gets thrown out. So I think he might have just been declaring everything. Any other questions? Good to see you.

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BRUCE BAILEY: Thank you. Appreciate it.

LOWE: Now, something I haven't done in the last ones, proponents, opponents, neutral. I forgot to do that.

J. CAVANAUGH: Maybe Hobie's not going to.

HOBIE RUPE: Oh, I was you're asking me?

J. CAVANAUGH: No, no, I just called you out.

LOWE: OK.

HOBIE RUPE: That's all right.

LOWE: OK, we'll now go to Clark Roushe. Is he-- how about Jana Goranson? Brian Botsford. Cameron Arch.

DAVID GEIER: Chairman Lowe, members of the committee, I'm not Cameron Arch. I'm David, D-a-v-i-d, Geier, G-e-i-e-r, director of the Nebraska Gambling Assistance Program. I'm here to speak in favor of 3 candidates you have today. Cameron Arch is the first. You also have Claudia Moore and Kelly Lambert. I was told they all were allowed to appear by writing a letter to the committee. First time we've done this. I thought I'd better at least stop in and say hello, make sure that you know the other members of the commission support all 3 of these candidates. The staff does as well. They're excellent members of our commission. We need them. They fulfill 3 of the statutory required positions. So I ask for your approval of their applications. Do you have any questions?

LOWE: Are there any questions? Yes, Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman, and thanks for being here. I-- or I don't see that I got a letter yet. I guess I'm just wondering if we would get it. All right. And you said there was 3. Are they appointed for specific positions?

DAVID GEIER: Yes. Cameron Arch is appointed because he's an attorney.

J. CAVANAUGH: OK.

DAVID GEIER: Dr. Claudia Moore is a physician with a board specialty in addiction medicine. Kelly Lambert is a consumer of problem gambling

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assistance services. She is a gambling-- with gambling addiction and recovery. They 3-- they fulfill 3 of the required positions.

J. CAVANAUGH: What are the other positions?

DAVID GEIER: Well, there's another required addicted gambler in recovery. There are 2 members at large. One must be-- have a background in education, one with a background in finance and banking and one with at least specialized knowledge in data analysis.

J. CAVANAUGH: And those folks are already appointed. These are the only vacancies?

DAVID GEIER: Actually, there are 3 more that are in the pipeline. There are 3 that are waiting for-- to be presented on the floor. There are 3 more that have just now applied for reappointment. We go through 3 of them every year.

J. CAVANAUGH: OK.

DAVID GEIER: So we're kind of in the midstream with them.

J. CAVANAUGH: All right. Thank you.

LOWE: Thank you, Senator Cavanaugh. That's the, the letters are in the binder so.

J. CAVANAUGH: Oh. OK. I'm looking the wrong place.

LOWE: OK. Any other questions? Seeing none, thank you, Mr. Geier.

DAVID GEIER: Thank you.

LOWE: Well, that concludes Cameron Arch, Claudia Moore, and Kelly Lambert. Now we have Lovell Jamaes Wright. How are you?

MIKE MARKEY: Afternoon, Senator. I am not Lovell James Wright. I'm Mike Markey, executive director of the Arts Council. And I'm-- decided to step forward because all 4 of the candidates for reappointment who are not here today all indicated to me that they were going to be sending a letter. I just want to make sure that you have that. If you don't have that, I will make sure that you do. You do have those 4 letters. Each of them contacted me individually and said, I don't want this to be any sort of sign that I'm not excited about being on the Arts Council. And I said, I think after going through 838 that you all

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would appreciate the time back to yourself. So I said the letter would probably suffice so.

LOWE: I do need you to spell your name for the Transcribers.

MIKE MARKEY: Oh, didn't I do that? I'm sorry.

LOWE: Say and spell your name again.

MIKE MARKEY: Mike Markey, M-i-k-e M-a-r-k-e-y.

LOWE: Thank you.

MIKE MARKEY: Thank you. Senator Cavanaugh, you have a very good creative district in your district.

J. CAVANAUGH: I do.

MIKE MARKEY: So any time you'd like to know more about it, I'd be happy to tell you about it.

J. CAVANAUGH: Can I ask a question?

LOWE: Yeah. Yes, you may.

J. CAVANAUGH: Thank you, Chairman. Thanks for being here. I actually talked with my creative district at lunch.

MIKE MARKEY: Good.

J. CAVANAUGH: And they said you were the person to talk to about a lot of the economic impacts, I think, and some data collection perhaps on the effects. But just I-- do you have anything generally you want to say about the tremendous success that the creative district program is across the state?

MIKE MARKEY: Sure. I just got done talking to 130 excited people about the district program. 48 communities are now in the works. 20 of them have been certified. 20 more are working towards creative district status across the state. All shapes and sizes of communities have joined. And as to the, the, the data collection and the results, we are just now finishing our first year of, of the development grant portion of the program. And so that, that data that is coming back in is anecdotal at this point. We are working at developing a universal means of developing the data so that we can show exactly. What I can tell you is that in the time that we've had the program, there have

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been 28 creative districts, 24 new arts festivals, 12 new community events that were born out of the program, 3 new renovated spaces, 1 new hotel, 1 new theater and 1 new museum.

J. CAVANAUGH: Oh, wow.

MIKE MARKEY: That's a lot of-- that's a lot of excitement within the communities and more to come.

J. CAVANAUGH: And this is all within the last year?

MIKE MARKEY: That is with it-- well, the program has been around 3 years, but the creative districts, we are about a year and a half in now. So yeah, that's, that's what's happened in that time frame. And there's just a lot more out there. We, we-- we've been very grateful for the appointment-- the appropriation that we've received. But with 48 districts, we'll be coming back and asking for a greater investment in that process next, next September-- next, next year.

J. CAVANAUGH: I just remember that reminded me. Again, questions breed questions. I do have another question regarding that unrelated to these appointees. Are you able, as a result of the creation of this program, are you seeking additional federal funds? Are you able to go out and seek additional federal funds?

MIKE MARKEY: Yes, sir. One of the purposes of the meeting today was to avail the creative districts of the federal funds that are out there, both through the Nebraska-- National Endowment for the Arts, USDA, on down there, the Mid-America Arts Alliance, the regional area, just that there are other sources of funding that they should be looking at, at the same time that they're looking to, to the state government. But yes, sir, that's a large part of what we're doing is now, now that the program is up, it's running, it's successful, it's generated the excitement and the potential that it has, now what's the next level? And a lot of that is funding.

J. CAVANAUGH: Great. Thank you.

MIKE MARKEY: You're welcome.

LOWE: Thank you, Senator Cavanaugh. Senator Brewer.

BREWER: Thank you, Mr. Chairman. I just want to make a comment on I know on Jana Goranson. We went to high school together.

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HUGHES: And she has a great name.

BREWER: And she has a great name. OK. 15-hour drive for a couple of minutes here would, would be a painful investment of time, energy and effort. So I'm sure it's, it's, it's not that they don't want to be here, but sometimes their time is more valuable than this, you know, opportunity for the hearing. And also give a shout-out for the Willow Tree Festival, which Jana has been a huge part of so thank you.

MIKE MARKEY: Large part. And thank you because they're all in that boat. Jana is 15 hours away. James Wright works in Washington, D.C., right now. He's-- so to make it back was, was, you know, if he could write a letter, that would be great for him. And Clark is doing great things out in York for us.

BREWER: They're doing a good job. We just let them keep doing a good job.

MIKE MARKEY: Thank you. Appreciate that.

LOWE: All right. Thank you, Senator Brewer. No other questions. Thank you, Mr. Markey.

MIKE MARKEY: Thank you for the time.

LOWE: And that ends our hearings for the day.